



799422

UNITED STATES DEPARTMENT OF AGRICULTURE
Rural Electrification AdministrationTEST YOUR CO-OP KNOWLEDGE

(for electric co-op officials)

Here is a short quiz for co-op officials who want to test their own information about electric co-ops. Check what you consider the right answer. Then find out how many you marked correctly, and multiply the number of correct answers by 5 to find your percentage.

1. Basic responsibility for an REA-financed electric co-op belongs to:
 - a. The board of directors ()
 - b. The manager ()
 - c. The members ()
 - d. The Government ()
2. Any co-op director has the right:
 - a. To tell the manager whom to hire or fire ()
 - b. To get himself or his relatives on the co-op payroll ()
 - c. To look over the co-op's monthly operating report and ask the manager questions about it ()
 - d. To use his official position for purposes of political partisanship ()
3. The purpose of a co-op is:
 - a. To make a profit for its stockholders ()
 - b. To give service to its members at cost ()
 - c. To put the Government in the power business ()
4. The board may expel a member:
 - a. For failing to report outages promptly ()
 - b. For criticizing the management at the Annual Meeting ()
 - c. If he asks to have his meter checked more than once a year ()
 - d. For refusing to pay his electric bill ()
5. During the first 15 years of the REA program, farm electrification in the U. S. increased about:
 - a. From 40% in 1935 to 95% in 1950 ()
 - b. From 20% in 1935 to 60% in 1950 ()
 - c. From 10% in 1935 to 85% in 1950 ()
6. Of the farms electrified since 1935, the percent served by REA co-ops is about:
 - a. 50% ()
 - b. 20% ()
 - c. 80% ()
7. The board violates the co-op principle of democratic control if it:
 - a. Insists upon at least two candidates for each director to be elected ()
 - b. Refuses to have the co-op's bylaws duplicated and given to the members ()
 - c. Urges that husbands and their wives apply for joint membership ()
8. Which of the following is not an ordinary item of business expense and therefore not part of the cost of service?
 - a. Depreciation ()
 - b. Interest on REA loan ()
 - c. Principal payments on REA loan ()
 - d. Property taxes ()

9. There are more REA co-ops than the number of co-ops engaged in:
 a. Marketing farm products () c. Farm supply purchasing ()
 b. Mutual insurance () d. Providing medical care ()
10. The main object of co-op power use information is:
 a. To help the dealers sell more equipment ()
 b. To help the members to use power more efficiently ()
 c. To get the REA loan paid back quickly ()
 d. To build the co-op load peak as high as possible ()

- | | <u>True</u> | <u>False</u> |
|--|-------------|--------------|
| 11. To protect the co-op assets, to assure competent management, and to build good member and community relations are among the board's major responsibilities. | () | () |
| 12. The Capital Credits Plan is a method for establishing each member's individual share in the ownership of the co-op. | () | () |
| 13. The co-op manager and directors have the right to disregard any provision of the co-op's bylaws which they don't like. | () | () |
| 14. Although the selection of personnel is the manager's responsibility, the establishment of a sound labor relations policy is the responsibility of the board. | () | () |
| 15. Unrestricted proxy voting is just as democratic as voting in person. | () | () |
| 16. It is no concern of the board whether the co-op's material inventory records are poor or in good shape. | () | () |
| 17. A nonprofit co-op is just as much a private enterprise as is a corporation organized for profit. | () | () |
| 18. A good director should spend as much time as possible around the co-op office helping the manager manage the co-op. | () | () |
| 19. Establishing a policy of area coverage is the responsibility of the manager. | () | () |
| 20. The board cannot delegate to the manager its responsibility for policy making, for planning, for financial control and for supervision of management. | () | () |